

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7 (the “District”) HELD NOVEMBER 12, 2020

A special meeting of the Board of Directors of the Prairie Center Metropolitan District No. 7 (referred to hereafter as “Board”) was convened on Thursday, the 12th day of November, 2020 at 2:30 P.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held and properly noticed to be held via telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Michael Tamblyn (via conference call)
Rick Merkel (via conference call)
Wendy Burke (via conference call)
Brandon Schenberg (via conference call for a portion of the meeting)

Upon motion duly made by Director Burke, seconded by Director Tamblyn and, upon vote, unanimously carried, the absence of Michelle Roberts was excused.

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc. (via conference call)

Paula Williams, Esq. and Erica Montague, Esq.; McGeady Becher P.C. (via conference call)

Thuy Dam; CliftonLarsonAllen LLP (via conference call)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Attorney Williams noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was further noted by Attorney Williams, that conflict disclosure statements were filed for all directors, and that and no additional conflicts were disclosed at the meeting.

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ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Burke, seconded by Director Tamblyn and, upon vote, unanimously carried, the agenda was approved, as amended.

Meeting Location / Posting of Meeting Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's board meeting. The Board determined that, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the meeting would be held by telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Finn reported that notice was duly posted and that no objections to the telephonic manner of the meeting or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

Consent Agenda: The Board considered the following actions:

- Approve Minutes of the July 22, 2020 special meeting.
- Ratify approval of payment of claims for the period ending October 31, 2020 totaling \$370,068.40.
- Authorize District Manager to post transparency notice on the SDA Website pursuant to Section 32-1-809, C.R.S.
- Ratify approval of Public Service Company of Colorado Easement between the District and GKT Brighton Residential Development, L.L.C. as Grantors, and Public Service Company of Colorado as Grantee.

It was noted the Service Agreement for Asphalt Work between the District and Rocky Mountain Pavement, LLC, was terminated.

Following review, upon motion duly made by Director Roberts, seconded by Director Burke and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

Resolution No. 2020-11-01; Resolution Establishing Regular Meeting Dates, Time and Location and Designating Locations for Posting of 24-Hour Notices: The Board reviewed Resolution No. 2020-11-01; Resolution Establishing Regular Meeting Dates, Time and Location and Designating Locations for Posting of 24-Hour Notices.

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Ms. Finn reviewed the business to be conducted in 2021 to meet the statutory compliance requirements. The Board determined to meet on June 10, 2021 and November 11, 2021 at 11:30 a.m. at the Construction Trailer, 2221 South 27th Avenue, Brighton, Colorado.

Following discussion, upon motion duly made by Director Burke, seconded by Director Merkel and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-01; Resolution Establishing Regular Meeting Dates, Time and Location and Designating Locations for Posting of 24-Hour Notices. A copy of the Resolution is attached hereto and incorporated herein.

PUBLIC COMMENT There was no public comment.

FINANCIAL MATTERS

Unaudited Financial Statements: Ms. Dam presented and reviewed the unaudited financial statements for the period ending September 30, 2020.

Following review and discussion, upon motion duly made by Director Burke, seconded by Director Tamblyn and, upon vote, unanimously carried, the unaudited financial statements for the period ending September 30, 2020 were accepted, as presented.

2020 Audit: The Board reviewed the proposal from Wipfli LLP to perform the 2020 Audit.

Following discussion, upon motion duly made by Director Burke, seconded by Director Merkel and, upon vote, unanimously carried, the Board approved the engagement of Wipfli LLP to perform the 2020 Audit, for an amount not to exceed \$4,000.

2020 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following discussion, Ms. Dam noted the 2020 Budget was amended at the July 22, 2020 Board meeting and no further amendments are necessary.

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2021 Budget: The President opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No public comments were received, and the public hearing was closed.

Ms. Dam reviewed the estimated 2020 expenditures and the proposed 2021 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2020-11-02 to Adopt the 2021 Budget and Appropriate Sums of Money and Resolution No. 2020-11-03 to Set Mill Levies, (for the General Fund at 11.132 mills, for the Debt Service Fund at 55.664 mills, for a total mill levy of 66.796 mills). Upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, Resolution Nos. 2020-11-02 and 2020-11-03 were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2020. The District Accountant was directed to transmit the Certification of Mill Levies to the Board of County Commissioners of the Adams County not later than December 15, 2020, the District Accountant was also directed to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2021. Copies of the adopted Resolutions are attached to these Minutes and incorporated herein by this reference.

Fee Schedule: The Board reviewed a fee structure assessing \$90.00 per quarter, per residential unit to pay for cost associated with common area maintenance and a \$200.00 working capital fee.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board approved the fee schedule.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: The Board reviewed Resolution No. 2020-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

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Following discussion, upon motion duly made by Director Burke, seconded by Director Tamblyn and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification: Ms. Dam discussed with the Board the DLG-70 Mill Levy Certification form.

Following discussion, upon motion duly made by Director Burke, seconded by Director Tamblyn and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 mill levy certification form, for certification to the Board of County Commissioners and other interested parties.

Preparation of the 2022 Budget: The Board discussed preparation of the 2022 Budget.

Following discussion, upon motion duly made by Director Burke, seconded by Director Merkel, and upon vote, unanimously carried, the Board appointed CliftonLarsonAllen LLP to prepare the 2022 Budget, and directed that the 2022 Budget be the same as the 2021 Adopted Budget, unless a Board Member provides input to otherwise adjust those assumptions.

LEGAL MATTERS

Potential Debt Issuance: Attorney Williams discussed with the Board a possible subordinate debt issuance in 2021. No action was taken by the Board at this time.

CAPITAL MATTERS

Village I Phase I Improvement Project (concrete work): Director Tamblyn discussed with the Board additional concrete work that needs to be completed prior to the City of Brighton's final acceptance of the Village I Phase I public improvements.

Following discussion, upon motion duly made by Director Burke, seconded by Director Merkel and, upon vote, unanimously carried, the Board authorized the Project Manager to award a contract for concrete work, for a not-to-exceed amount of \$35,000, and subject to ratification by the Board.

Village I Phase I Improvement Project (asphalt work): Director Tamblyn discussed with the Board asphalt work that needs to be completed prior to the City of Brighton's final acceptance of the Village I Phase I public improvements.

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Following discussion, upon motion duly made by Director Burke, seconded by Director Merkel and, upon vote, unanimously carried, the Board approved a Service Agreement with Rocky Mountain Excavating Inc. for asphalt work, for a not-to-exceed amount of \$40,000.

Village I Phase I Improvement Projects: Director Tamblyn provided an update, noting that all 125 lots have been sold. He indicated the District is in the process of obtaining final acceptance by the City of Brighton of the roadways, subject to completion of the concrete and asphalt work.

Village I Phase II Improvement Projects: Director Tamblyn noted that he will be submitting a request to the City of Brighton for initial acceptance of the Village I Phase II public improvements. He also the landscape improvements are expected to be completed by the end of the month.

Village I Phase III Improvement Projects: Director Tamblyn reported to the Board that the Village I Phase III Improvement Project started on October 19th and is expected to be completed within ten months.

OPERATIONS AND MAINTENANCE

Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc. for Landscape Tracts and Golden Eagle Park: The Board reviewed a Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc. for Landscape Tracts and Golden Eagle Park.

Following discussion, upon motion duly made by Director Burke, seconded by Director Tamblyn and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc. for Landscape Tracts and Golden Eagle Park.

Service Agreement for Underdrain Filming between the District and Ramey Environmental Compliance, Inc.: The Board discussed a Service Agreement for Underdrain Filming between the District and Ramey Environmental Compliance, Inc.

Following discussion, upon motion duly made by Director Burke, seconded by Director Tamblyn and, upon vote, unanimously carried, the Board approved the Service Agreement for Underdrain Filming between the District and Ramey Environmental Compliance, Inc., for a not-to-exceed amount of \$6,000, plus mileage and technical services, subject to ratification by the Board.

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ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Roberts, seconded by Director Merkel and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting